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NAVCENT FOR VICE ADMIRAL GORTNEY FROM AMBASSADOR GRAPPO

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TAGS: [PARM](#) [PREL](#) [PTER](#) [MASS](#) [MNUC](#) [MOPS](#) [KNNP](#) [MU](#)
SUBJECT: SCENESETTER FOR VICE ADMIIRAL GORTNEY'S VISIT TO
OMAN

Classified By: Ambassador Gary A. Grappo for Reasons 1.4 (b, d)

¶1. (C) Vice Admiral Gortney: Embassy Muscat and I warmly welcome you to Oman. As one of our oldest friends in the region) the Omanis refer to their relationship with us as "strategic") the Sultanate remains a strong and trusted U.S. partner. Yet, while we enjoy close relations with Oman, we do not see eye-to-eye on all matters, most notably Iran. Your visit here will help us to maintain and strengthen our already strong mil-mil relationship while exploring new opportunities for security cooperation.

Iran

¶2. (C) The present Oman-Iran relationship is based on common interests including maritime security in the Strait of Hormuz and potential joint energy development. Devoid of any outstanding territorial claims or other divisive issues, Oman probably enjoys the best relations with Iran of any GCC state. The government in Muscat has long placed a premium on preserving amicable ties with its northern neighbor and is especially careful not to antagonize the regime in Tehran. Omani Minister Responsible for Foreign Affairs Yusef bin Alawi visits Iran on a semi-regular basis; a senior Omani delegation led by the Deputy Prime Minister traveled to Tehran in April 2008 to reciprocate the visit of Iranian President Ahmadinejad to Muscat in May 2007. The Omani police and military maintain open channels of communication with their Iranian counterparts on matters such as the smuggling of illegal migrant workers to Oman through Iranian waters, and Iranians have been invited to observe some Omani military exercises.

¶3. (C) Despite the value Oman places on keeping good relations with Tehran, it has at the same time been careful to keep a comfortable distance from its Persian neighbor. Apart from a few subjects, the Oman-Iran relationship has largely been non-substantive with little in the way of meaningful cooperation. Bilateral economic ties and trade remain limited and Oman's security establishment continues to vet Iranian visa applicants with a watchful eye. Oman's strategic relationship still clearly lies with the United States (and the U.K.), and it regularly shares its insights and observations concerning Iran with us. Omani officials also advocate in Tehran for a more conciliatory approach towards the West.

¶4. (C) Recently, however, there are indications that both Oman and Iran may be proactively trying to strengthen their bilateral relationship. Iran as of late is pushing to bolster ties with Oman through increased tourism, trade and investment and has even attempted to raise the level of mil-mil cooperation. In March 2008, for example, the

governor of Muscat formally received the commanding officers of two visiting Iranian naval ships, which were allowed to remain berthed in the capital's port for six days. For its part, the Omani government has given the green light for a growing number of official Iranian visits and has reciprocated with high-level visits to Iran of its own.

¶5. (C) It is probable that Iran's overtures to Oman are designed to solidify relations with a friendly, yet decidedly pro-West, neighbor in the face of international pressure and sanctions over its nuclear activities. Muscat, fearful of a regional conflict with Iran into which it might be drawn and also perceiving a regime in Tehran emboldened by recent events, may be acting to establish a separate identity from that of the rest of the GCC and to demonstrate that, therefore, Iran has nothing to fear from Oman. A more certain factor in Oman's current approach towards Iran is natural gas. A Memorandum of Understanding (MOU) signed in April 2008 on the joint development of Iran's Kish gas field reflects Oman's "urgent" need for natural gas to fuel its ambitious industrial development plans. This MOU did not, however, signal the conclusion of a final deal, but was an agreement to continue negotiations on the terms of the proposed project.

¶6. (C) Oman's leadership recognizes and shares U.S. concerns about Iran's nuclear activities and the significantly increased instability a nuclear-capable Iran would mean for the region. Omanis are also anxious about Tehran's meddling and trouble-making in other states and its opposition to efforts to end the Israeli-Palestinian conflict. Moreover, the January 2008 incident between Iranian Revolutionary Guard

MUSCAT 00000556 002 OF 004

Corps (IRGC) and U.S. naval vessels in the Strait of Hormuz highlighted to Omani officials the vulnerability of this strategic chokepoint to unpredictable Iranian behavior.

¶7. (C) Despite these shared concerns, Oman's views on how to respond to Iranian actions continue to diverge from our own. Senior Omani government officials repeat their advice that sanctions against Iran are counter-productive and only strengthen hard-line attitudes in Tehran. Accordingly, while Oman has pledged to uphold its obligations as a UN member in implementing UNSCR sanctions resolutions against Iran, it is very unlikely that the government will go beyond the letter of these resolutions. Omanis instead urge direct talks with Tehran without preconditions as the best way to mitigate Iranian threats. In general, leaders in Oman's military and security services take a more pragmatic view about the dangers posed by Iran than their civilian counterparts, who are more apt to downplay Iran's destabilizing activities and to dismiss threatening statements from Iranian officials as just political rhetoric intended for domestic consumption.

Iraq

¶8. (C) The Omani leadership remains concerned with Iraq's future and the possibility that extremist and sectarian violence in Iraq could spill over into other states in the region. Though encouraged by the improvement in security in Iraq brought on by the U.S. troop surge, Omani government officials continue to harbor doubts about the reliability of Iraq's leadership and whether it can effectively control the country. Senior Omanis also have continuing concerns about Iraqi Prime Minister Maliki's interest in and capability of pursuing reconciliation with Sunni leaders, which they see as critical to ending the insurgency.

¶9. (S) Sultan Qaboos told the Ambassador this spring that he recognizes Oman and other Arab states should "do more" to support the Iraqi government, although he declined to re-open Oman's embassy in Baghdad due to security concerns. In accordance with the Sultan's stance, a 19-member Omani economic delegation staged a three-day visit to Baghdad from

June 29-July 1. The Sultan and his senior military officers back a continued U.S. military presence in Iraq until security is established and Iraqi forces and police are able to preserve stability.

Middle East Peace

¶10. (C) The Omani government remains a quiet supporter of efforts to peacefully resolve the Israeli-Palestinian conflict based on the President's two-state vision. Oman endorsed and participated at the ministerial level in the November 2007 Annapolis Conference to promote Middle East peace; both Minister Responsible for Foreign Affairs Yusef bin Alawi and MFA Secretary General Sayyid Badr al-Busaidi remain in periodic contact with Israeli officials. More recently, however, they have voiced doubts over the possibility of the two sides striking a deal by the end of the year. Omani officials warn that the U.S. must increase pressure on Israel to take meaningful action on settlements and to offer genuine concessions if a peace deal is ever to be achieved.

Bilateral Security Relationship

¶11. (C) U.S. security and military cooperation with Oman remains strong. The U.S.-Oman Base Access Agreement, first signed in 1980 and still a cornerstone of our bilateral security relationship, is up for renewal in 2010. The U.S. will ask to expand its scope to include the growing Port of Sohar in northern Oman, as well as the new al-Musanah airbase (close to Sohar) to help compensate for the phased closure of military facilities at Muscat International Airport (MIA). U.S. AFCENT hopes to build a new War Reserve Materiel (WRM) site at al-Musanah to house equipment currently at MIA.

¶12. (S/NF) Oman has supported virtually all access, basing and over-flight requests we have made. NAVCENT is significantly increasing the number of port calls to the Sultanate, including liberty visits and logistical re-supply visits. However, Oman has curtailed U.S. naval vessels into Muscat for economic-related reasons, and does not currently allow nuclear-powered warships to call at its ports. Earlier

MUSCAT 00000556 003 OF 004

this year, the Ambassador informally approached Minister bin Alawi to request an exception to this policy in order to allow a nuclear-powered submarine to make a port call, which was denied.

¶13. (S) The planned joint military exercise schedule for FY08 is robust, including one ground, two air (one of which will be a combined operation between Oman, the U.S., the U.K. and France), and two Explosive Ordnance Disposal (EOD) exercises in addition to three Joint Combined Exchange Training (JCET) programs. Planning for a new amphibious exercise with Oman continues, the objective of which will be the delivery of military assistance from the sea in response to a humanitarian disaster.

Omani FMF and Defense Needs

¶14. (S/NF) Omani leaders remain persuaded that Iran would not attack GCC countries with missiles in response to a military strike staged in the Gulf. They see asymmetrical, terrorist operations conducted by Iran against Gulf states, including U.S. targets in these countries, as a greater danger. Consequently, the Omanis have little appetite for high price-tag Patriot missiles, but are very interested in Shared Early Warning (SEW) and seek to modernize their capability - both defensive and deterrent - to help counter what they view as more likely threats. To this end, Oman has made ATACMS/HIMARS a top priority due to its strong deterrent capability.

¶15. (S) From a high of USD 24.85 million in FY04, the FY08 Foreign Military Financing (FMF) budget request for Oman was first reduced to USD 10.10 million, and then again to USD 4.7 million. Declining U.S. FMF poses a challenge for the modernization of Oman's military, as well as for the future of U.S. weapons sales to Oman. (Note: Oman's military budget is small compared to the rest of the GCC. End Note.) Despite our assurances to the contrary, the Omanis question whether the reduction for FY08 is intended as a political message. (Note: The FY09 plan target for FMF for Oman is USD 14 million. End Note.)

Counter-Terrorism/Internal Security

¶16. (C) Oman's long coastline and relatively open borders in some inland areas remain vulnerable to smugglers, drug traffickers, and - potentially - terrorists. Border control accordingly continues to be one of Oman's top priorities and a major area of bilateral cooperation with the U.S. The Royal Oman Police Coast Guard regularly detains smugglers and illegal migrant workers, usually along Oman's northern coast between Muscat and Sohar; more Somalis are allegedly attempting to enter Oman via Yemen. One unofficial estimate placed the number of illegal immigrants apprehended in 2006 at over 25,000, although the numbers reportedly declined in ¶2007.

Counter-Proliferation

¶17. (SBU) The Embassy works closely with Oman to prevent the proliferation of nuclear and other weapons of mass destruction (WMD) or their components. The Port of Salalah - one of the busiest transshipment ports in the world - is participating in the Department of Energy's Megaports program and is a pilot port in the Secure Freight Initiative (SFI). Through ongoing technical and financial assistance from the U.S. Departments of Energy and Homeland Security, ROP Customs is able to scan targeted containers through an Integrated Container Inspection System (ICIS) lane utilizing both x-ray and radiation detection equipment. Oman also has received equipment and technical assistance to strengthen its export control regimes under the U.S. Department of State's Export Control and Related Border Security (EXBS) program.

¶18. (C) Oman's participation in the Proliferation Security Initiative (PSI) has been lukewarm. While it has sent representatives to PSI conferences, to date it has declined to participate in operational exercises, including those in the Gulf region. Oman continues to "consider" participation in the Global Initiative to Combat Nuclear Terrorism, even though post has stressed this would not entail any significant new commitments on the part of the Omani government. We suspect that the Omanis, who are reluctant to

MUSCAT 00000556 004 OF 004

take a regional lead on such initiatives, are waiting for more Arab - and particularly GCC - countries to announce their membership.
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